

ATLANTA AND WEST POINT RAIL ROAD COMPANY / ANNUAL REPORT / 1971

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1971 ANNUAL REPORT

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1971

ANNUAL REPORT OF THE ATLANTA AND WEST POINT RAIL ROAD
COMPANY FOR THE YEAR ENDED DECEMBER 31, 1971

BOARD OF DIRECTORS

J. ARCH AVARY, JR., *Atlanta, Georgia*
EDWARD G. COLE, JR., *Newnan, Georgia*
JOHN W. DENT, *Atlanta, Georgia*
WILLIAM H. KENDALL, *Louisville, Kentucky*
JOSEPH L. LANIER, *West Point, Georgia*
CHESTER R. LAPEZA, *Atlanta, Georgia*
CARL J. REITH, *Atlanta, Georgia*
W. THOMAS RICE, *Jacksonville, Florida*
LAMAR W. SIZEMORE, *Atlanta, Georgia*

EXECUTIVE COMMITTEE

WILLIAM H. KENDALL
CHESTER R. LAPEZA
W. THOMAS RICE

THE STAFF

CHESTER R. LAPEZA, *President and General Manager*
TIMOTHY C. BULLARD, *Secretary and Treasurer*
JOHN E. MACCARTHY, *Comptroller*
WILBUR T. MARTIN, *Chief Traffic Officer*
ADAM C. JONES, JR., *General Superintendent-Chief Engineer*
EDGAR J. HALEY, *Chief Mechanical Officer-Purchasing Agent*
TRAVIS P. KING, *Asst. to General Manager-Director of Personnel*
RALPH W. WILLIAMS, *Chief Law and Special Agent*
VINSON L. COOK, *Asst. Secretary and Asst. Treasurer*
JOSEPH E. SAUCIER, *Manager of Industrial Development*
HERBERT B. BAINBRIDGE, JR., *Real Estate Agent*
ANDREW S. ANDERSON, *Acting Manager Data Processing*
HEYMAN AND SIZEMORE, *General Counsel*

TO OUR STOCKHOLDERS:

The operating results of Atlanta and West Point Rail Road Company for 1971 were very satisfactory, particularly in the light of general economic conditions. Net earnings, after Federal and State taxes on income, were \$744,265 as shown in this report.

Substantial improvements to the properties were made during the year which included the acquisition of thirty five (35) new 100-ton wood chip hopper cars and the furtherance of our welded rail program by five (5) additional miles. Roadway machines and vehicles were upgraded to enable a more mechanized maintenance program with considerable cost savings.

Industrial development on line contributed to increased earnings in 1971 and shows promise to the future for the railroad. Dividends aggregating \$10 a share were paid on capital stock in 1971, which is indicative of the fine earnings for the year and the strong financial position of your company.

The future continues to be bright for the railroad with new and expanded industries playing an ever-increasing part. Appreciation is expressed for the loyal staff of officers and employees whose contribution in 1971 meant so much.



President and General Manager

Atlanta, Georgia

April 14, 1972

ACCOUNTANTS' OPINION

Atlanta and West Point Rail Road Company:

We have examined the balance sheet of Atlanta and West Point Rail Road Company as of December 31, 1971 and the related statements of income, retained income, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The Company maintains its accounts in conformity with the Uniform System of Accounts for Railroad Companies prescribed by the Interstate Commerce Commission and the accompanying financial statements have been prepared in accordance therewith. As explained in Note 1, the provisions of such system vary in certain respects from generally accepted accounting principles.

In our opinion, with the exception referred to in the preceding paragraph, the accompanying financial statements present fairly the financial position of the Company at December 31, 1971 and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Haskins & Sells

February 18, 1972

BALANCE SHEET

ASSETS

	December 31	
	1971	1970
CURRENT ASSETS:		
Cash	\$ 180,796	\$ 351,109
Temporary cash investments—at cost which approximates market	1,400,000	1,700,000
Net balance receivable from agents	255,212	95,436
Accrued accounts receivable	279,367	38,730
Material and supplies—at average cost	217,660	228,796
Prepayments and other current assets	40,491	48,022
Total	<u>2,373,526</u>	<u>2,462,093</u>
SPECIAL FUNDS:		
Insurance and other funds	<u>6,128</u>	<u>6,080</u>
INVESTMENTS—AT COST:		
Investments in affiliated companies	<u>16,380</u>	<u>16,380</u>
PROPERTIES:		
Road and equipment	12,499,992	11,618,835
Miscellaneous	812,387	812,383
Total properties	13,312,379	12,431,218
Less accrued depreciation and amortization	4,669,816	4,644,390
Total properties less accrued depreciation and amortization	<u>8,642,563</u>	<u>7,786,828</u>
OTHER ASSETS AND DEFERRED CHARGES:		
Other assets	37,732	39,644
Deferred charges	20,888	203,850
Total	<u>58,620</u>	<u>243,494</u>
TOTAL	<u>\$11,097,217</u>	<u>\$10,514,875</u>

BALANCE SHEET
LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31	
	1971	1970
CURRENT LIABILITIES:		
Traffic and car-service balances—net	\$ 464,821	\$ 20,633
Audited accounts payable		123,978
Miscellaneous accounts payable	35,564	1,256
Unmatured interest accrued	12,333	17,469
Accrued accounts payable	441,343	431,849
Taxes accrued	66,995	110,691
Total (exclusive of long-term debt due within one year)	<u>1,021,056</u>	<u>705,876</u>
LONG-TERM DEBT DUE WITHIN ONE YEAR:		
Equipment obligations	<u>208,657</u>	<u>216,640</u>
LONG-TERM DEBT DUE AFTER ONE YEAR:		
Equipment obligations	<u>1,917,108</u>	<u>2,125,248</u>
RESERVE:		
Insurance	<u>120,933</u>	<u>121,413</u>
OTHER LIABILITIES AND DEFERRED CREDITS:		
Other liabilities	31,287	43,969
Deferred credits	<u>95,297</u>	<u>96,755</u>
Total	<u>126,584</u>	<u>140,724</u>
SHAREHOLDERS' EQUITY:		
Capital stock—authorized, 25,000 shares of \$100 par value each; outstanding, 24,636 shares	2,463,600	2,463,600
Retained income	<u>5,239,279</u>	<u>4,741,374</u>
Total	<u>7,702,879</u>	<u>7,204,974</u>
TOTAL	<u>\$11,097,217</u>	<u>\$10,514,875</u>

See the accompanying Notes to Financial Statements.

INCOME STATEMENT

	1971	1970
OPERATING REVENUES:		
Freight -----	\$ 4,778,211	\$ 3,980,724
Other -----	189,151	120,311
Total Operating Revenues -----	4,967,362	4,101,035
OPERATING EXPENSES:		
Maintenance of way and structures -----	586,762	504,725
Maintenance of equipment -----	596,315	571,060
Transportation -----	1,534,823	1,267,814
Other -----	562,528	458,551
Total Operating Expenses -----	3,280,428	2,802,150
Net Revenue from Operations -----	1,686,934	1,298,885
TAXES OTHER THAN INCOME:		
Property -----	66,959	62,219
Federal payroll -----	167,551	133,544
Other -----	3,048	18,004
Total Taxes other than Income -----	237,558	213,767
EQUIPMENT AND JOINT FACILITY RENTS—NET DEBIT -----	372,637	324,413
Total Taxes and Rents -----	610,195	538,180
Net Operating Income before Income Taxes -----	1,076,739	760,705
OTHER INCOME—NET -----	178,432	197,545
Total -----	1,255,171	958,250
INTEREST ON DEBT -----	126,972	154,391
Income Before Income Tax -----	1,128,199	803,859
Income Tax -----	383,934	276,573
ORDINARY INCOME (per share: 1971, \$30.21; 1970, \$21.40) -----	744,265	527,286
Extraordinary Items:		
Gain on sale of investment in affiliated company and land, less \$189,192 Income Taxes (per share, \$40.40) -----		995,270
NET INCOME: (per share: 1971, \$30.21; 1970, \$61.80) -----	\$ 744,265	\$ 1,522,556

See the accompanying Notes to Financial Statements.

STATEMENT OF RETAINED INCOME

	1971	1970
Retained income, January 1 -----	\$4,741,374	\$3,785,446
Net income for year -----	744,265	1,522,556
Total -----	5,485,639	5,308,002
Cash dividends to shareholders:		
Regular, \$10.00 per share in 1971 and \$8.00 in 1970 -----	246,360	197,088
Special, \$15.00 per share -----		369,540
Total -----	246,360	566,628
Retained income, December 31 -----	\$5,239,279	\$4,741,374

NOTES TO FINANCIAL STATEMENTS

- The provisions of the Uniform System of Accounts for Railroad Companies prescribed by the Interstate Commerce Commission vary from generally accepted accounting principles in that, under the Uniform System, no accounting recognition is given to the possible effect on income in future years of reductions in income taxes resulting from the deductions for amortization of property for income tax purposes in excess of the amounts recorded in the accounts. The net amount of such reductions in income taxes included in retained income at December 31, 1971 was \$203,000. Reversals of these income tax reductions were approximately \$29,000 in 1971 and \$27,000 in 1970.

Income taxes have been reduced by approximately \$20,000 in 1971 and \$73,000 in 1970 because of various other timing differences between pretax accounting income and taxable income.

Federal income tax for 1971 has been reduced by investment tax credit of approximately \$155,000 in 1971 and \$47,000 in 1970. Unused investment tax credits amounted to approximately \$93,000 at December 31, 1971.

- Properties are stated at estimated original cost determined by the Interstate Commerce Commission Valuations, plus additions and betterments at cost and less retirements since the date of valuation. The current cost of renewals of parts of the track structure is charged to maintenance expense, and additions and betterments to the structures are capitalized. Depreciation, which is computed on a straight-line basis, using composite rates for each class of property, has been recorded in the following amounts:

	1971	1970
Rail and other track material -----	\$ 70,329	\$ 69,979
Other property -----	237,627	235,693
Total -----	\$ 307,956	\$ 305,672

- The Company has an unfunded, non-contributory pension plan for officers and supervisory employees but reserves the right to discontinue the plan at any time. Related charges to operating expenses in 1971 and 1970 representing amounts paid to retired employees, were approximately \$34,000 and \$21,000 respectively. The effect on the accompanying financial statements of the amounts required to provide for current and past service pension costs would not have been material.
- The Company carries a service interruption policy under which it will be entitled to indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, the Company may be obligated to pay additional premiums, subject to a maximum premium of \$121,600.
- The Company leases rolling stock under leases expiring at various dates to 1981. Annual rentals under the leases are approximately \$141,000.
- Equipment obligations are due at various dates through 1985 and the interest rates range from 4.2% to 5.5%. Interest rates on certain obligations are subject to variations in the prime rate.

STATEMENT OF CHANGES IN FINANCIAL POSITION

	1971	1970
SOURCES:		
For operations:		
Ordinary income -----	\$ 744,265	\$ 527,286
Depreciation -----	307,956	305,672
	<u>1,052,221</u>	<u>832,958</u>
Proceeds from sale of investment in affiliated company and land less related income taxes -----		1,227,462
Equipment borrowings—net -----		363,360
Decrease in working capital -----	395,764	
Miscellaneous sources—net -----	170,202	
Total -----	<u>\$ 1,618,187</u>	<u>\$ 2,423,780</u>
APPLICATIONS:		
Property additions less retirements -----	\$ 1,163,687	\$ 817,436
Dividends on common stock -----	246,360	566,628
Reduction of equipment borrowing—net -----	208,140	
Increase in working capital -----		734,786
Miscellaneous applications—net -----		304,930
Total -----	<u>\$ 1,618,187</u>	<u>\$ 2,423,780</u>
CHANGES IN WORKING CAPITAL:		
Current assets:		
Cash and temporary investments -----	\$ (470,313)	\$ 1,017,881
Accounts receivable -----	400,413	(275,109)
Materials and supplies -----	(11,136)	66,200
Prepayments and other current assets -----	(7,531)	23,437
Increase (decrease) in current assets -----	<u>(88,567)</u>	<u>832,409</u>
Current liabilities:		
Accounts and wages payable -----	358,876	(27,129)
Other current liabilities -----	(51,679)	124,752
Increase in current liabilities -----	<u>307,197</u>	<u>97,623</u>
Increase (decrease) in working capital -----	<u>\$ (395,764)</u>	<u>\$ 734,786</u>

See the accompanying Notes to Financial Statements.

OPERATING EXPENSES

ACCOUNT	1971	1970
MAINTENANCE OF WAY AND STRUCTURES:		
Superintendence -----	\$ 75,565	\$ 62,934
Roadway maintenance -----	17,136	43,572
Bridges, trestles and culverts -----	8,601	4,356
Ties -----	93,243	59,046
Rails -----	—34,831	—22,016
Other track material -----	—4,287	3,058
Ballast -----	23,339	6,864
Track laying and surfacing -----	35,521	67,256
Fences, snowsheds, and signs -----	553	620
Station and office buildings -----	4,588	11,719
Roadway buildings -----	519	5,544
Fuel stations -----	52	
Shops and enginehouses -----	44	
TOFC/COFC terminals -----	23	
Communication systems -----	13,704	12,123
Signals and interlockers -----	28,649	23,661
Road property—Depreciation -----	105,503	108,613
Retirements—Road -----	18,344	—855
Roadway machines -----	30,420	28,289
Dismantling retired road property -----	4,427	—1,091
Small tools and supplies -----	18,794	13,938
Removing snow, ice and sand -----	89	
Public improvements—Maintenance -----	4,581	5,665
Injuries to persons -----	58,092	2,353
Insurance -----	1,739	1,674
Stationery and printing -----	830	648
Employees health and welfare benefits -----	14,909	13,988
Maintaining joint tracks, yards and other facilities—Debit -----	70,651	56,111
Maintaining joint tracks, yards and other facilities—Credit -----	—4,726	—3,957
Other expenses -----	690	612
Total -----	\$ 586,762	\$ 504,725

MAINTENANCE OF EQUIPMENT:

Superintendence -----	\$ 21,660	\$ 16,117
Shop and power-plant machinery—Depreciation -----	221	221
Locomotive—Repairs -----	117,797	116,440
Freight train cars—Repairs -----	177,149	171,960
Highway revenue equipment—Repairs -----	10	
Work equipment—Repairs -----	5,005	4,159
Miscellaneous equipment—Repairs -----	9,106	9,077
Retirements—Equipment -----		—2,100
Equipment—Depreciation -----	202,232	196,838
Injuries to persons -----	4,288	4,395
Insurance -----	7,613	5,933
Stationery and printing -----	1,229	999
Employees health and welfare benefits -----	10,008	12,533
Joint maintenance of equipment expenses—Debit -----	39,993	30,847
Other expenses -----	4	3,641
Total -----	\$ 596,315	\$ 571,060

OPERATING EXPENSES

ACCOUNT	1971	1970
TRAFFIC:		
Superintendence -----	\$ 66,956	\$ 48,171
Outside agencies -----	135,057	117,917
Advertising -----	1,886	3,043
Traffic associations -----	3,805	4,688
Industrial and immigration bureaus -----	14,258	10,947
Insurance -----	408	510
Stationery and printing -----	12,733	9,321
Employees health and welfare benefits -----	10,311	8,527
Total -----	\$ 245,414	\$ 203,124
TRANSPORTATION—RAIL LINE:		
Superintendence -----	\$ 63,736	\$ 42,255
Dispatching trains -----	22,166	14,204
Station employees -----	163,668	147,171
Weighing, inspection and demurrage bureaus -----	15,198	8,326
Station supplies and expenses -----	7,822	8,040
Yard masters and yard clerks -----	1,129	
Yard conductors and brakemen -----	82,762	60,192
Yard enginemen -----	38,845	33,896
Yard switching fuel -----	3,971	3,929
Servicing yard locomotives -----	74	320
Yard supplies and expenses -----	882	139
Operating joint yards and terminals—Debit -----	400,180	398,201
Operating joint yards and terminals—Credit -----	—101,455	—90,913
Train enginemen -----	155,220	124,938
Train fuel -----	105,052	92,446
Servicing train locomotives -----	39,599	37,586
Trainmen -----	317,888	211,665
Train supplies and expenses -----	45,408	34,417
Signal and interlocker operation -----	9,287	9,063
Crossing protection -----	382	142
Communication system operation -----	7,874	7,708
Employees health and welfare benefits -----	32,600	31,078
Stationery and printing -----	10,398	5,713
Other expenses -----	52	58
Operating joint tracks and facilities—Debit -----	27,003	24,633
Operating joint tracks and facilities—Credit -----		—1,129
Insurance -----	13,213	10,903
Clearing wrecks -----	4,228	613
Damage to property -----	7,959	2,981
Loss and damage—Freight -----	30,692	28,113
Injuries to persons -----	27,866	21,126
TOFC/COFC terminals -----	1,110	
Other highway transportation expenses -----	14	
Total -----	\$ 1,534,823	\$ 1,267,814
GENERAL:		
Salaries and expenses of general officers -----	\$ 50,525	\$ 39,100
Salaries and expenses of clerks and attendants -----	154,446	123,730
General office supplies and expenses -----	21,217	20,042
Law expenses -----	17,052	12,466
Insurance -----	217	116
Employees health and welfare benefits -----	12,405	9,839
Pensions -----	34,339	20,743
Stationery and printing -----	8,860	7,309

OPERATING EXPENSES

	ACCOUNT	1971	1970
GENERAL: (continued)			
Other expenses -----		12,793	9,361
General joint facilities—Debit -----		5,260	12,721
Total -----		\$ 317,114	\$ 255,427
Total railway operating expenses -----		\$ 3,280,428	\$ 2,802,150
Ratio of operating expenses to operating revenues -----		66.04	68.33

OPERATING REVENUES

YEAR	FREIGHT	PASSENGER	MAIL AND EXPRESS	OTHER	NET JOINT FACILITY	TOTAL OPERATING REVENUES
1962 -----	\$ 2,636,944	\$ 257,876	\$ 331,527	\$ 111,391	\$ 76,493	\$ 3,414,231
1963 -----	2,656,269	235,885	333,628	101,364	73,729	3,400,875
1964 -----	2,755,143	208,329	335,807	114,942	75,590	3,489,811
1965 -----	2,901,129	176,887	308,241	101,892	73,194	3,561,343
1966 -----	3,106,766	170,937	311,318	123,266	80,965	3,793,252
1967 -----	3,192,311	97,092	187,794	117,924	57,423	3,652,544
1968 -----	3,435,511	66,478	119,954	111,796	46,543	3,780,282
1969 -----	3,479,492	43,230	86,907	85,310	48,291	3,743,230
1970 -----	3,980,724	1,666	2,005	73,543	43,097	4,101,035
1971 -----	4,778,211			159,677	29,474	4,967,362

OPERATING EXPENSES

YEAR	MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRANSPORTATION	OTHER	TOTAL OPERATING EXPENSES	OPERATING RATIOS
1962 -----	\$ 449,873	\$ 571,610	\$ 1,505,375	\$ 492,108	\$ 3,018,966	88.42
1963 -----	410,192	659,895	1,474,871	477,198	3,022,156	88.86
1964 -----	435,764	689,478	1,534,143	470,949	3,130,334	89.70
1965 -----	441,221	687,772	1,547,500	496,863	3,173,356	89.11
1966 -----	453,785	670,469	1,580,277	508,471	3,213,002	84.70
1967 -----	457,273	662,570	1,469,887	511,311	3,101,041	84.90
1968 -----	449,287	626,747	1,367,494	458,266	2,901,794	76.76
1969 -----	504,623	602,892	1,337,764	455,097	2,900,376	77.48
1970 -----	504,724	571,060	1,267,814	458,552	2,802,150	68.33
1971 -----	586,762	596,315	1,534,823	562,528	3,280,428	66.04

INCOME

YEAR	NET REVENUE FROM RAILWAY OPERATIONS	RAILWAY TAX ACCRUALS	NET EQUIPMENT AND JOINT FACILITY RENTS	NET OTHER INCOME	FIXED CHARGES	NET INCOME
1962 -----	\$ 395,265	\$ 197,527	\$ —397,434	\$ 147,832	\$ 29,109	\$ —80,973
1963 -----	378,719	198,222	—303,070	120,833	31,614	—33,354
1964 -----	359,477	202,985	—279,717	131,642	30,465	—22,048
1965 -----	387,987	207,354	—321,458	120,776	45,571	—65,620
1966 -----	580,250	222,635	—355,121	207,268	55,724	154,038
1967 -----	551,503	219,966	—363,537	115,146	56,384	26,762
1968 -----	878,488	223,255	—498,517	—177,153	70,868	—91,305
1969 -----	842,854	222,131	—388,459	187,097	129,601	289,760
1970 -----	1,298,885	490,340	—324,413	1,192,816	154,391	1,522,557
1971 -----	1,686,934	621,492	—372,637	178,432	126,972	744,265

—Decrease

CLASSIFICATION OF FREIGHT TRAFFIC

COMMODITY	1971		1970		Increase or Decrease Tons
	No. of Tons	Pct. to Total Tons	No. of Tons	Pct. to Total Tons	
Farm Products -----	179,206	4.93	177,377	5.35	1,829
Forest Products -----	3,108	.09	4,097	.12	—989
Fish and Other Marine Products -----	917	.03	698		219
Metallic Ores -----	180,355	4.98	188,683	5.69	—8,328
Coal -----	20,740	.57	54,919	1.66	—34,179
Crude Petroleum, Natural Gas and Natural Gasoline -----	18		146		—128
Nonmetallic Minerals, Except Fuels -----	683,708	18.83	555,459	16.77	128,249
Ordnance and Accessories -----	64,246	1.77	112,465	3.39	—48,219
Foods and Kindred Products -----	257,941	7.10	220,684	6.67	37,257
Tobacco Products -----	3,857	.12	3,162	.10	695
Basic Textiles -----	13,677	.38	14,494	.44	—817
Apparel and Other Finished Textile Products, including Knitted -----	1,708	.05	1,331	.04	377
Lumber and Wood Products, except Furniture -----	345,036	9.50	289,884	8.74	55,152
Furniture and Fixtures -----	7,246	.20	8,492	.26	—1,246
Pulp, Paper and Allied Products -----	350,339	9.65	327,299	9.87	23,040
Printed Matter -----	718	.02	291		427
Chemicals and Allied Products -----	525,549	14.47	511,195	15.42	14,354
Petroleum and Coal Products -----	224,199	6.17	246,527	7.44	—22,328
Rubber and Miscellaneous Plastic Products -----	20,798	.57	16,539	.50	4,259
Leather and Leather Products -----	97		147		—50
Stone, Clay and Glass Products -----	434,048	11.95	321,933	9.71	112,115
Primary Metal Products -----	79,421	2.19	72,656	2.19	6,765
Fabricated Metal Products, except Ordnance Machinery and Transportation -----	43,335	1.19	37,945	1.14	5,390
Machinery, except Electrical -----	10,939	.30	8,995	.27	1,944
Electrical Machinery, Equipment and Supplies -----	45,140	1.24	5,778	.17	39,362
Transportation Equipment -----	32,279	.89	22,260	.67	10,019
Instruments, Photographic and Optical Goods, Watches and Clocks -----	522		106		416
Miscellaneous Products of Manufacturing -----	2,049	.06	2,480	.07	—431
Waste and Scrap Material -----	88,233	2.43	96,679	2.92	—8,446
Miscellaneous Freight Shipments -----	2,166	.06	1,028	.03	1,138
Containers, Shipping Returned Empty -----	1,479	.04	1,483	.04	—4
Freight Forwarder Traffic -----	150		33		117
Shipper Association or Similar Traffic -----	256		156		100
Miscellaneous Mixed Shipments, except Forwarder and Shipper Association -----	7,246	.20	9,675	.29	—2,429
Total Carload Traffic -----	3,630,726	99.98	3,315,096	99.96	315,630
Small Packaged Freight Shipments -----	857	.02	1,201	.04	—344
Grand Total -----	3,631,583	100.00	3,316,297	100.00	315,286

—Decrease

TAXES

	1971	1970	Increase —Decrease
Railroad Retirement -----	\$136,615	\$107,459	\$ 29,156
Unemployment Insurance -----	30,936	26,085	4,851
Property -----	66,959	62,219	4,740
Sales and Use -----		14,743	—14,743
Other -----	3,048	3,261	—213
Sub Total -----	237,558	213,767	23,791
State Income -----	63,889	39,757	24,132
Taxes on nonoperating property -----	18,762	18,684	78
Grand Total -----	\$320,209	\$272,208	\$ 48,001

TRAIN, LOCOMOTIVE AND CAR MILES

CLASS	1971	1970	Increase or Decrease
TRAIN MILES			
Freight -----	132,446	83,957	48,489
TOTAL TRAIN MILES -----	132,446	83,957	48,489
LOCOMOTIVE MILES			
Freight -----	371,034	295,105	75,929
Switching -----	52,619	41,207	11,412
TOTAL LOCOMOTIVE MILES -----	423,653	336,312	87,341
FREIGHT CAR MILES			
Freight Loaded -----	5,107,053	4,818,177	288,876
Freight Empty -----	3,803,683	3,446,275	357,408
System Caboose -----	140,308	103,701	36,607
TOTAL FREIGHT CAR MILES -----	9,051,044	8,368,153	682,891

MILEAGE OPERATED

Miles of road operated at December 31, 1971:

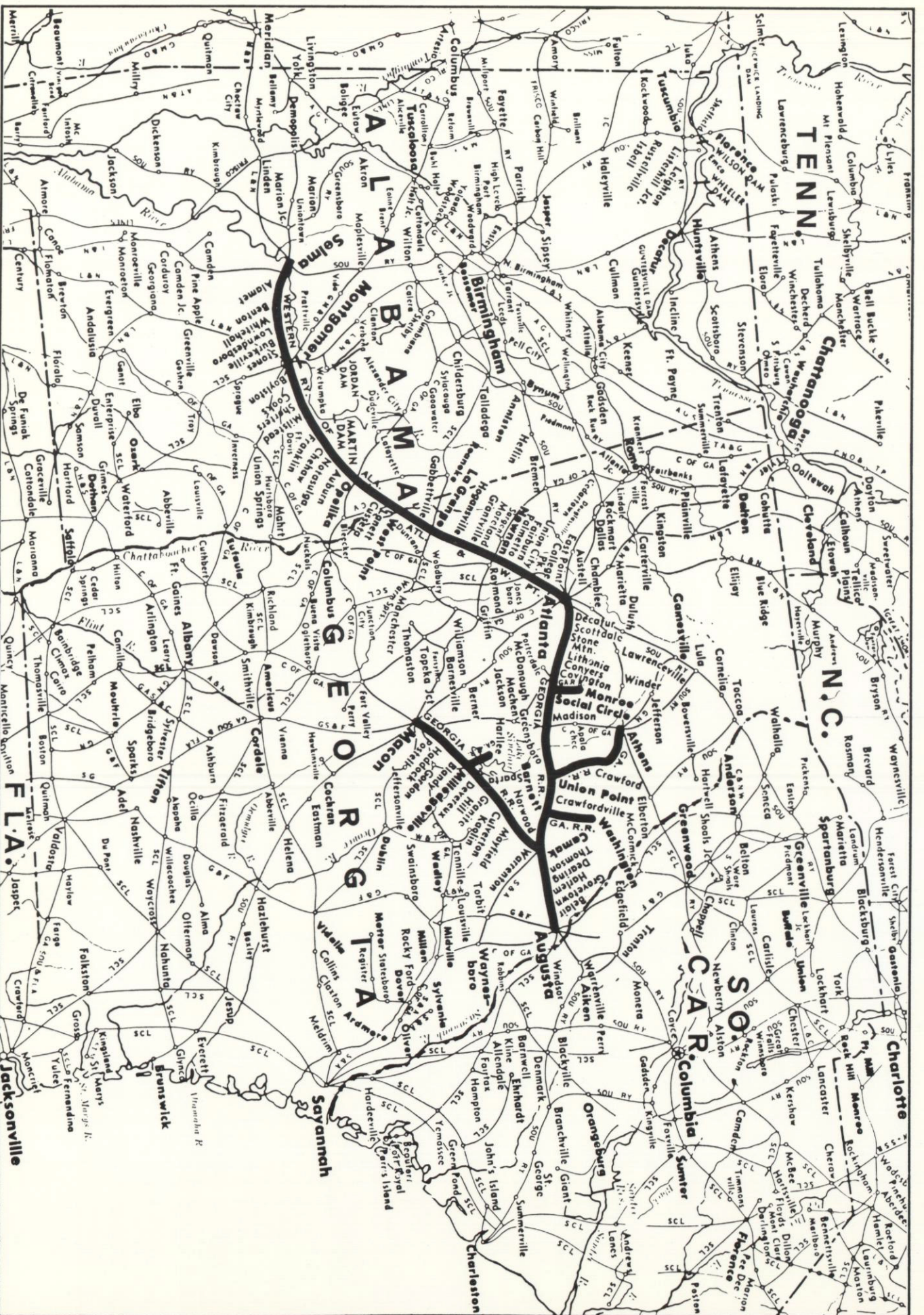
MAIN LINE:

Atlanta to West Point -----	85.72		
Less—Leased to Atlanta Terminal Company -----	0.10	85.62	
Hulsey Junction to Oakland City -----		5.16	90.78

TRACKAGE RIGHTS:

Central of Georgia Railway, Oakland Junction -----		0.05	
Georgia Railroad (Atlanta Joint Terminals) -----		2.02	2.07
Total mileage operated -----			92.85

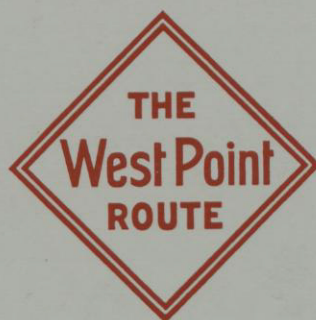
—Decrease



Atlanta and West Point Rail Road Company

The Western Railway of Alabama

Georgia Railroad



ATLANTA AND WEST POINT RAIL ROAD COMPANY / 4 HUNTER ST. / ATLANTA, GA.